

To: Hestmark, Martin[Hestmark.Martin@epa.gov]; Fay, Kate[Fay.Kate@epa.gov]
From: Cantor, Howard
Sent: Tue 2/5/2013 11:13:13 PM
Subject: Article -- Wyoming explores oil-gas regs for groundwater testing

Howard Cantor,
Deputy Regional Administrator
Region 8
US Environmental Protection Agency
Phone: (303) 312-6308
Fax: (303) 312-6882

Wyoming explores oil-gas regs for groundwater testing
The Associated Press

The Wyoming governor's office is looking into possibly requiring petroleum companies that drill for oil and gas in Wyoming to test the local groundwater for any pollution before they sink a drill bit into the ground.

The goal would be to make it easier to pinpoint the source of any groundwater contamination that turned up during or after drilling. That could help any homeowners with contaminated well water to find out if oil or gas drilling in their area caused the problem or if the water pollution came from some other source.

Gov. Matt Mead looks to implement a groundwater testing requirement by the end of this year, said his natural resources adviser, Jeremiah Rieman.

"Most of the large operators do it but not all operators do it. It really can protect citizens, protect the state, protect the industry," Rieman said Monday.

Either the Wyoming Oil and Gas Conservation Commission, which oversees oil and gas development in the state, or the Wyoming Department of Environmental Quality, the state agency that enforces pollution laws, would adopt and implement the regulation.

The governor's office is looking to new regulations in Colorado as a possible template.

The Colorado Oil and Gas Conservation Commission on Jan. 7 approved requiring companies to sample up to four water wells within half a mile of a drilling site before drilling. Two more rounds of testing would occur between six and 12 months and five and six years after drilling. No other state requires groundwater monitoring before and after drilling.

The governor's office is wrapping up its look at what Colorado has done and other states are considering. Next, it will assess whether the commission or DEQ would be the better agency to enforce groundwater testing in Wyoming, Rieman said.

In northeast Wyoming, some people have blamed drilling for coal-bed methane for lowering their water table. Wyoming might require companies to note the volume of water flowing in water wells near oil and gas wells.

"We might add that element in after we look at it a bit further," Rieman said.

In theory, baseline groundwater testing could have helped landowners in the Pavillion area determine

who to blame recent gas drilling for petrochemicals in their well water. A 2011 U.S. Environmental Protection Agency report found chemical traces in the groundwater that it linked to hydraulic fracturing. State regulators and Encana, which operates the Pavillion gas field, dispute the conclusion, which has not yet been formally reviewed by outside experts.

Hydraulic fracturing, or fracking, involves pumping pressurized water mixed with sand and chemicals underground to crack open fissures and improve the flow of oil and gas.

The Pavillion gas field is one of Encana's few Wyoming properties with domestic water wells nearby. Most of the company's Wyoming projects are on public land with few people living nearby, Encana spokesman Doug Hock pointed out.

"In Colorado, a lot of the issue obviously revolves around drilling near people who have water wells and domestic water use," Hock said.

Even so, Encana is looking at baseline groundwater monitoring ahead of plans to drill hundreds of new gas wells in Sublette and Fremont counties, he said.

"Bottom line is, it's something we support. We think it's a best practice and I think it's in the best interest of both operators and the public," Hock said.

The key is making sure that the public can look at the results of groundwater tests and that companies don't just keep it to themselves, said Richard Garrett, a lobbyist for the Wyoming Outdoor Council.

"Just because they've tested, themselves, does not necessarily give us a great deal of confidence. We like the fact that they're doing it but we think that better transparency helps everybody," Garrett said.

The Petroleum Association of Wyoming has been asking its members what they think about the possible requirement, association vice president John Robitaille said.

"We have heard back from several that they do this voluntarily already, several that do it at a request, and others that pretty much are a case-by-case basis," Robitaille said.

Comments on the proposal are still coming in from some oil and gas companies, he said, and the association will share their thoughts about the rules as they're being developed.